

## **An Overview of Tipton County's 2009 Annual Trending**

### **April 16, 2009**

The following steps were taken to conduct the 2009 annual trending in Tipton County:

#### **Step 1: Re-Delineation of Neighborhoods**

The vast majority of neighborhoods in Tipton County were completely re-examined and, where necessary, re-delineated for annual trending in 2006. Additional re-delineation of some neighborhoods has occurred each year thereafter as further analysis indicated such action was appropriate. This includes the creation of new neighborhoods, splitting neighborhoods apart, and the combination of neighborhoods as well. This portion of trending included all property classes. Some new neighborhoods were established for new construction and/or to establish more accurate assessments.

#### **Step 2: Calculation of New Land Values**

New land values were calculated for 2008. For residential property, only a small number of neighborhoods required a new land rate. For commercial and industrial properties, land values generally stayed consistent between January 1, 2006 and January 1, 2009. For commercial and industrial properties, no adjustments were made as sales data did not indicate the necessity of any update.

#### **Step 3: Calculation of New Residential Factors & Residential Studies**

Per 50 IAC 14, a preliminary ratio study was conducted for vacant and improved residential at the township level. This study dictated which property classes required further analysis, stratification, reassessment or calculation of a new neighborhood factor. In some instances, especially in rural areas of Tipton County, the preliminary ratio study indicated that assessments were both accurate and uniform. In other neighborhoods, further review was required. This resulted in the calculation of new neighborhood factors for a small number of neighborhoods.

#### **Step 4: Updated Commercial & Industrial Improvement Values**

As a result of annual updating land values, cost tables, and depreciation for the past three years, and given the very small sample of sales for these class types in Tipton County, no further updating was done for 2009 trending. The sales that did occur when reviewed in the preliminary ratio study, met all IAAO ratio study statistical measures. As a result, no further action was taken. For vacant commercial vacant industrial sales, valid sales from 2004 to present were included in the analysis. These sales were time adjusted, and are noted in the ratio study.

**\*\*Please note that the period of time from which sales were used for this ratio study was from 1/1/2007 to 12/31/2008. Every attempt was made to ensure a representative sample for each property class. However, given the very low sales activity for vacant industrial property in Tipton County, even going back to 2002, no additional sales data was yielded. Additionally, the ratio study file contains a list of all valid sales that upon further review were found to actually be invalid. These sales are located at the bottom of each worksheet tab for each property class type.**